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idea that the Bill should be passed. Otherwise why should they say so? If it is delayed for fourteen days, then the Bill will be deemed to have been passed. The intention is that the Bill should be passed. Therefore, I do not see any force in the objection.

Now, I will again put the question to the vote of the House. The question is—

'That the Madras Land Revenue and Water-Cess (Surcharge) Bill, 1965 (L.A. Bill No. 30 of 1965), as passed by the Assembly, be passed'.

The motion was put and carried and the Bill was passed.

(2) THE MADRAS GENERAL SALES TAX (SECOND AMENDMENT) BILL, 1965 (L.A. BILL NO. 36 OF 1965).

THE HON. SRI R. VENKATARAMAN: Mr. Chairman, Sir, I move—

'That the Madras General Sales Tax (Second Amendment) Bill, 1965 (L.A. Bill No. 36 of 1965), as passed by the Assembly, be taken into consideration'.

Hon. Members of the House are aware......(Interruption).

Sir, I want to say that attendance in the Legislature is optional. We must conform to certain conventions. I have explained the principles of the Constitution according to my understanding of them. The Opposition has had its say. After all somebody has to be the judge and the Chair is the judge in this case. By agreement we have said that the Chair should be the final authority whenever points of orders are raised. I raised a point of order and it has been upheld by the Chair and we have to accept it. For otherwise, we shall see, it is not possible to get on.

Now, Sir, coming to the Bill before the House, hon. Members are aware of the steps taken by the Government to augment the resources of the State, as indicated in the Statement on Resources of the State, made by the Hon. the Chief Minister. As mentioned by the Chief Minister, increase in the rates of sales tax is one of the measures proposed by the Government in this regard.

The Government have decided to[a] increase the general rate of multi-point tax, under section 3 (1) of the Act, from 2 per cent to 2½ per cent. Similarly the rate of tax leviable under section 5 (b) of the Act in the case of goods purchased by the dealer registered under the Central Sales Tax Act, after furnishing the declaration in Form 'C' is to be increased from 2 per cent to 2½ per cent. The Government have also decided to increase the rate of tax in the case of goods covered by items 1 to 14 of the First Schedule, from 10 per cent to 11 per cent. The rate of tax in respect of

a Printe d as Appendix V on pages 400-401.

sale or purchase of goods mentioned in other items, except item 61 (Palmyra fibres and stalks) and item 63 (Potatoes) of the First Schedule is also proposed to be increased by half-a-per cent over the existing rates. In respect of items 61 and 63 aforesaid, no tax is payable in view of the exemption already granted under section 17 of the Act. The concessional rate of tax payable in the case of components with reference to the provisions under sub-section (3) of section 3 of the Act is to be increased from one per cent to 1½ per cent. In the case of groundnut, the rate of tax is to be increased from 1 per cent to 1½ per cent. The amendment proposed to section 23 of the Act is consequent on the amendment proposed to sub-section (3) of section 3 of the Act.

There has been a general demand from the trade and other sources to abolish or reduce the rate of tax on foodgrains such as wheat, paddy, rice, etc. The Government have, therefore decided to leave the present rate of tax, namely, 1 per cent on foodgrains without any increase. Similarly the rates of composition prescribed in section 7 of the Act in the case of dealers with turnover up to Rs. 50,000 are not to be increased.

Hon. Members are aware that the Government have reduced the rate of tax in respect of certain goods (for example, electrical goods sold to electrical undertakings by registered dealers in this State, sale of ready-made garments, etc.) by issuing notifications under section 17 of the Madras General Sales Tax Act, 1959. In view of the general increase in the rate of tax, the Government consider that it is appropriate to increase by half per cent such reduced rate of tax also.

Aluminium ingots are now manufactured in the State. The Government decided to subject aluminium ingots to 5 per cent single-point tax at the point of first sale in the State, with effect from the 1st July 1965. A notification in this regard under section 59 (1) has already been published on the 30th June 1965. Under section 59 (2) of the Act, the notification has to be replaced by an Act. Clause 5 (h) of the Bill provides for this and also to increase the rate of tax from 5 per cent to 5½ per cent.

Caustic soda is now liable to multi-point tax at 2 per cent. This is a commodity which is manufactured by large scale industry and which cannot be manufactured in the small-scale sector. The Government have decided to subject caustic soda to single-point tax at 5½ per cent. The Bill contains necessary provision in this regard.

4-50 p.m. I request the House, Sir, to accept the motion.

MR. CHAIRMAN : Motion moved—

'That the Madras General Sales Tax (Second Amendment) Bill, 1965 (L.A. Bill No. 36 of 1965), as passed by the Assembly, be taken into consideration.'

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திரு. ஆர். வெங்கடாசலம்: தலைவர் அவர்களே, சற்று முன்பு தான் வேறொரு தனி பில் விஷயமாக இங்கே விவாதிக்கப்பட்டு தங்களால் அதற்கு ரூலிங் கொடுக்கப்பட்டிருக்கிறது. இந்த விற்பனை வரியைப் பொறுத்த மட்டிலே, இந்த விற்பனை வரி அதிகமாகப் போடப்பட்டு இருப்பதை எதிர்க்கின்ற வகையிலே என்ன தான் கருத்து தெரிவித்தாலும் அவைகளை வெறும் சிபாரிசுகளாக தெரிவிக்கவேண்டும் என்பது விதியாகும்.

This is also a Money Bill.

SRI K. BALASUBRAMANYA AYYAR: The hon. Member has to give notice of recommendations.

திரு. ஆர். வெங்கடாசலம்: இப்பொழுது நமது சிபாரிசுகளைத் தெரிவிப்பதற்கான காலம் இல்லாத காரணத்தால் இதிலே நான் என்ன கருத்து தெரிவித்தாலும் அது பயன்படாது என்ற காரணத்தால் இதன்மீது பேச விரும்பாமல் இத்துடன் பேச்சை முடித்துக் கொள்கிறேன்.

MR. CHAIRMAN: The question is—

'That the Madras General Sales Tax (Second Amendment) Bill, 1965 (L.A. Bill No. 36 of 1965), as passed by the Assembly, be taken into consideration.'

The motion was put and carried and the Bill was taken into consideration.

MR. CHAIRMAN: There are no amendments to clauses 2 to 7.

SRI K. BALASUBRAMANYA AYYAR: Instead of saying 'amendments', the Hon. Chairman will please say 'recommendations'.

MR. CHAIRMAN: I thank the hon. Member for the suggestion.

Clauses 2 to 7 were put and carried.

Clause 1, the Long Title, and the Enacting Formula were put and carried.

THE HON. SRI R. VENKATARAMAN: Sir, I move—

'That the Madras General Sales Tax (Second Amendment) Bill, 1965 (L.A. Bill No. 36 of 1965), as passed by the Assembly, be passed.'

MR. CHAIRMAN: The question is—

'That the Madras General Sales Tax (Second Amendment) Bill, 1965 (L.A Bill No. 36 of 1965), as passed by the Assembly, be passed.'

The motion was put and carried and the Bill was passed.